

SCHARC HIGHWAYS

EXHIBIT NO. 1

DATE 2-6-07

BILL NO. H5-3

Alberta Support for Montana House Joint Resolution NO. 3

Mr. Leonard Mitzel Member of Alberta's Legislative Assembly for Cypress-Medicine Hat

- On behalf of Leonard Mitzel, Member of Alberta's Legislative Assembly for the Cypress-Medicine Hat constituency, I have been asked to read this prepared statement in support of establishing the port of Wild Horse as a 24-hour border crossing between Montana and Alberta
- Also on behalf of Len Mitzel, I would also like to pass along greetings from the new Premier of Alberta, Ed Stelmach, and Guy Boutilier, Minister of International, Intergovernmental, and Aboriginal Relations who are both committed to strengthening the Montana-Alberta relationship.
- MLA Mitzel has been a strong supporter of this initiative having helped lead led the charge in Alberta to establish the 24-hour border crossing at Wild Horse by introducing Motion 506 in the Alberta Legislature. On January 10, 2007, Len, led an Alberta delegation to Helena, Montana to attend a hearing of the House Transportation Committee and voice support for House Joint Resolution No. 3. This delegation included Garth Vallely, Mayor of Medicine Hat; Alan Hyland, Mayor of Bow Island and Chair of the Palliser Economic Partnership; Kay Olsen, an executive with both the Medicine Hat and Alberta Chambers of Commerce; Harold Wilson of the Economic Development Alliance of



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South Eastern Alberta, and Cameron Brown, Intergovernmental Officer, U.S. Relations, Government of Alberta.

- MLA Mitzel has asked me to convey the following:
- Much of what is being discussed here was given birth at a meeting of the
 Montana-Alberta Bilateral Advisory Council (MABAC) last May in
 Helena, and that says a lot about the importance of these regular meetings
 and of Alberta's relationship with Montana. The 2007 meeting will be
 taking place in Alberta.
- Statistics Canada recently confirmed what many already knew, Alberta is in the midst of the strongest economic growth ever recorded in Canada, and it shows no signs of slowing down. This kind of economic growth creates a great deal of opportunity for Montana. In the past five years, two-way trade between Alberta and the U.S. has increased a remarkable 37%, reaching an all time high of \$68.9 billion US dollars in 2005.
- As Alberta's only neighbouring state, Montana is uniquely poised to benefit from Alberta's prosperity and the trade it generates; provided the proper infrastructure is in place. Alberta's oil sands, the engine of our current economic growth, are located in north eastern Alberta, and a new



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24-hour border crossing at Wild Horse would help create a new trade corridor through Montana direct to the oil sands.

- Montana Sec Hwy 232 and Alberta Hwy 41 have lower traffic volumes
 than the existing route Alberta Hwy 2 and I-15 in Montana which
 connect at the Sweetgrass Port of Entry. It would be advantageous for
 slower moving, heavy and wide loads to use this route. The frustration of
 presently moving through high populated areas like Calgary and
 Edmonton would certainly be lessened.
- Alberta and the Midwestern and Southern States conduct a great deal of trade. Trucks destined for Alberta would be able to reach the Wild Horse border crossing via Sec Hwy 232 and then on to Hwy 41 with greater ease and less expense, saving both time and money.
- When a major transportation grid is established, whether in Alberta or Montana, the result is movement of traffic (in this case truck traffic) throughout the province or state, thus increasing the development and sustainability of our respective rural areas and communities. Economic development by infilling areas between these grid roads, rather than focusing on one major route that is over-capacity, will gradually benefit the entire Province or State.



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- I don't want to leave the impression that the only benefit of a second 24-hour border crossing would be to facilitate the flow of goods into Alberta. As was evident last September, when a delegation of 15 Alberta energy executives toured eastern Montana, there is real potential for Alberta companies to invest in Montana. A second 24-hour border crossing at Wild Horse would greatly facilitate movement into eastern Montana, making the decision to invest there that much easier.
- Alberta supports the establishment of a second 24-hour border crossing at Wild Horse. This was clear last April, when Motion 506, which this resolution makes reference too, and which I introduced, was unanimously passed by Alberta's legislature a rare thing in politics.
- Thank you.